

Message Text

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PAGE 01 MONTEV 03744 270952Z

20

ACTION EB-07

INFO OCT-01 ARA-10 ISO-00 AID-05 CIAE-00 COME-00 FRB-01

INR-07 NSAE-00 RSC-01 TRSE-00 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 L-02 AGR-10 /064 W

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R 261805Z DEC 74

FM AMEMBASSY MONTEVIDEO

TO SECSTATE WASHDC 7914

UNCLAS MONTEVIDEO 3744

E.O. 11652: N/A

TAGS: EFIN, OPIC, UY

SUBJ: POTENTIAL U.S. INVESTMENT IN URUGUAY

REF: MVD 1704

1. TRANSAMMONIA INC. HAS INFORMED EMBASSY THAT IT TEMPORARILY SUSPENDING CONSIDERATION OF A POSSIBLE INVESTMENT OF \$15 MILLION IN A DIAMMONIUM PHOSPHATE FERTILIZER PLANT (REFTEL). CHANGING WORLD MARKET CONDITIONS INCLUDING HIGH RAW MATERIAL PRICES WITH DECLIN-
ING FERTILIZER PRICES HAVE COMBINED TOMAKE THE PROJECT UNFEASIBLE UNDER PRESENT CIRCUMSTANCES, ACCORDING TO PRESIDENT OF TRANSAMMONIA'S URUGUAYAN SUBSIDIARY. TRANSAMMONIA INDICATED IT WILL KEEP PROJECT UNDER ACTIVE REVIEW IN HOPES OF A FAVORABLE CHANGE IN WORLD MARKET CONDITIONS.

2. COMMENT: AS EXPLAINED TO EMBOFFS, TRANSAMMONIA DECISION SEEMS BASED ENTIRELY ON ADVERSE WORLD MARKET CONDITIONS. THIS PLANT AND TWO OTHERS (SYNTHETIC FIBERS AND FISH PROCESSING) WERE THE MOST POSITIVE RECENT INDICATIONS OF FOREIGN INVESTOR INTEREST IN URUGUAY. THIS REPRESENTS A TEMPORARY SETBACK IN THE GOU'S EXPORT PROMOTION AND FOREIGN INVESTMENT POLICIES AND REMOVES THE MOST ACTIVE OF POSSIBLE PROJECTS UNDER CONSIDERATION FOR OPIC COVERAGE SHOULD AN AGREEMENT BE SIGNED.
SIRACUSA

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN INVESTMENT, FERTILIZERS
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Draft Date: 26 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
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Review Comment: n/a
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Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 OCT 2002 by ReddocGW>; APPROVED <31 DEC 2002 by MorefiRH>
Review Markings:

Declassified/Released
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30 JUN 2005

Review Media Identifier:
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Review Release Date: n/a
Review Release Event: n/a
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Review Withdrawn Fields: n/a
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Status: NATIVE
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TAGS: EFIN, EINV, UY, US, OPIC, TRANSAMMONIA INTERNATIONAL LTD
To: STATE
Type: TE
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